



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re the Application of: MaxLite-SK America, Inc. File No.: 198497

Serial No.: 10/657,334

Mark: FLOURESCENT LAMP DIMMER CONTROL

**DECLARATION**

I, Yon Sung, President of Applicant ("MaxLite") declare:

1. On April 15, 2003, the inventor of the above-referenced invention, Yong Chong, assigned all rights in the invention to MaxLite. On May 4, 2004 my attorney, Neal L. Slifkin, mailed to me a declaration and power of attorney to be signed by Yong Chong. I forwarded the papers to Mr. Chong at his address of 3665 Arista Way, Unit #1509, Mississauga, Ontario L5A 4A3, Canada. Mr. Chong never returned the papers to me, nor were they returned as undeliverable by the Post Office.

2. I placed three telephone calls and left messages for Mr. Chong on his answering machine. These calls were placed on June 3, 2004, June 21, 2004, and June 23, 2004. Mr. Chong never returned any of those phone calls.

3. I have been informed that my attorney also called Mr. Chong on June 30, 2004 and that Mr. Chong did not return his call either.

4. I was never notified by Mr. Chong that he had moved from his address, and I have no further information concerning the whereabouts of Mr. Chong.

5. Because Mr. Chong has assigned his rights in the invention to MaxLite, I request that MaxLite be permitted to prosecute the Application based on the invention which was assigned by Mr. Chong to MaxLite.

6. I declare under penalty of perjury that all statements made herein of my own knowledge are true and that all statements made on information and belief

are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the Application or any patent issuing therefrom.

  
Yon Sung

Dated: 7/27/04

## EXCLUSIVE ASSIGNMENT AND CONFIDENTIALITY AGREEMENT

**Between:** SK America, Inc. ("SKA"), a New Jersey Corporation

**And:** Yong Chong ("Chong"), a Inventor of the City of Mississauga, in the province of Ontario, Canada

**And:** Il-Koo Choi ("Choi"), of the City of Daegu, in the country of The Republic of Korea

**Dated:** Apr. 15, 2003

### PART ONE:

WHEREAS the above named parties (the "Parties") have met and discussed fully their joint interest in developing and marketing a fluorescent dimming control device, including usage of the low voltage regulator (LVR) method ("Product"), which has been originally designed and developed by inventor group including Chong and will be manufactured and marketed solely by SKA. The Parties acknowledge that the Product has been co-developed with market information, application and manufacturing expertise provided by SKA and the design and engineering provided by Chong; as such the Product is the result of the co-operation of the Parties.

Certain features of the Product will be improved and modified to better reflect the market requirements relating to sale of the Product, and therefore, the Parties hereby agree that the Product shall be manufactured and marketed exclusively by SKA in the world. Effective upon signing of this Agreement, each of Chong and Choi (the "Assignors") does hereby sell, assign, transfer and convey unto SKA and its successors and assigns forever, all of such Assignor's right, title and interest throughout the world together with the benefits and privileges in and to all inventions, discoveries, patent applications, patents, know-how, trade secrets, copyrights and other intellectual property related to the Product (the "Intellectual Property"), including the right to sue for past infringement.

Each of the Assignors hereby covenants and agrees to cooperate with SKA to enable SKA to obtain, sustain, enforce and enjoy to the fullest extent all right, title and interest herein conveyed in any country. Such cooperation by Assignors shall include production of pertinent facts and documents, execution of declarations, assignments and other papers, and other assistance all to the extent deemed reasonably necessary or desirable by SKA, for (a) perfecting in SKA the right, title and interest herein conveyed, (b) filing and prosecuting patent applications, substitute, divisional, continuing or additional applications, (c) filing and prosecuting applications for re-issuance, (d) interference or other priority proceedings, and (e) legal proceedings involving the Intellectual Property. Each Assignor warrants that he has not knowingly conveyed and shall not convey to others any rights in such Intellectual Property, and warrants that he has good right to assign the same to SKA without encumbrance.

The Parties understand that the key to the marketing success of the Product is to preserve the unique features of the Product and its related product family by obtaining patent protection. The Assignors hereby certify that the technology used in the Product is truly a unique technology, developed by Chong with assistance only from Choi. The Parties agree that a patent application will be filed in the U.S. Patent and Trademark Office (the "Patent Application") along with the corresponding office in certain other countries selected by SKA. The Patent Application shall be filed under names of Chong and Choi, with the prior review and approval of SKA. No patent application regarding the Product will be filed without SKA's prior approval. All such patent applications will be assigned to SKA at the expense of SKA.



The Parties acknowledge that each of them will have access to and will be using the Confidential Information of the other in connection with the patent application and development and marketing of the Product. Each party shall use the other's Confidential Information received hereunder only for the purpose of patent application and developing, manufacturing, and marketing of the Product, for the sole benefit of SKA.

The Parties shall work earnestly towards the development of the Product and the manufacturing and distribution of the Product; provided, however, that any and all discoveries, modifications, improvements, and other developments relating to the Product shall be covered by this Agreement and shall be the sole and exclusive property of SKA.

Chong hereby agrees to indemnify and hold SKA harmless from any and all liabilities, costs and expenses (including reasonable attorneys' fees and costs) incurred by SKA in connection with any claim by Gregory Hong or any of his successors or assigns arising out of or related to this Agreement or the assignment contemplated hereby, including without limitation any claim (a) that this Agreement or such assignment is invalid or ineffective, (b) that Mr. Hong is entitled to any claim under or with respect to the Patent Application, any other patent application or any letters patent issued with respect thereto, or (c) that Mr. Hong is entitled to any royalty with respect to sales of the Product.

#### PART TWO:

The parties further agree that for a period of five (5) years, SKA will (subject to Part Three below) pay to Chong and Chol, as a group, a royalty based on the following percentages of gross revenues relating to annual sales of the Product:

5% of total SKA sales of the Products for 1<sup>st</sup> full year (July 1, 2003 ~ June 30, 2004)  
4% of total SKA sales of the Products for 2<sup>nd</sup> full year (July 1, 2005 ~ June 30, 2005)  
3% of total SKA sales of the Products for 3<sup>rd</sup> full year (July 1, 2006 ~ June 30, 2006)  
2% of total SKA sales of the Products for 4<sup>th</sup> full year (July 1, 2007 ~ June 30, 2007)  
2% of total SKA sales of the Products for 5<sup>th</sup> full year (July 1, 2008 ~ June 30, 2008)

Provided, however, that SKA shall not be obligated to pay more than an aggregate royalty of US\$200,000, and SKA's obligation to pay royalties shall cease upon its payment of such amount, notwithstanding the above schedule.

SKA has paid to Chong a refundable deposit of US\$5,000 in consideration of Chong's agreement to enter into this Agreement. SKA will pay to Chong an additional US\$5,000 refundable deposit upon the filing of the Patent Application with the U.S. Patent and Trademark Office. Such US\$10,000 will be credited against the first US\$10,000 in royalty payments hereunder.

SKA is responsible for the Products in terms of quality, specification, UL and FCC conformity if necessary, workmanship and hereby indemnifies and holds Chong harmless from any liability, damage, loss, cost or expense incurred by Chong resulting from any defect in quality, specification, UL and FCC conformity, workmanship of Products manufactured by SKA that is due to the failure of SKA to comply with any such responsibilities.

#### PART THREE:

The provisions of Part One and Part Three of this Agreement shall be effective immediately. Notwithstanding anything to the contrary in this Agreement, (a) Part Two of this Agreement shall not be effective unless and until Choi signs a counterpart of this Agreement, and (b) SKA shall have the immediate right to terminate this Agreement, with no obligation to Chong or Chol, and Chong shall refund to SKA the full amount of the refund referred to above, if any of the following shall occur:



1) If Chong and Choi do not cooperate with SKA in preparing and filing the Patent Applications and any additional patent applications described above, or fail to promptly supply any engineering diagram, design know-how or other information requested by SKA.

2) If SKA submits the Product to an independent third party laboratory for analysis and the third party laboratory does not conclude to SKA's satisfaction that the Product meets SKA's performance specifications.

3) If the patent search currently being conducted by SKA does not establish, to SKA's satisfaction, that the Product is patentable, or the Patent Application is not accepted by the U.S. Patent and Trademark Office.

From time to time, the Parties shall study how their cooperation can be extended to further improvement and revise necessary.

This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey. Any action relating to or arising out of this Agreement must be brought in the Federal or State Courts in Newark, New Jersey, United States of America. Each of the Assignors acknowledges that the injuring to SKA from a breach of this Agreement cannot be fully compensated by money damages, and agrees that SKA will have the right to injunctive relief in the event of any breach of this Agreement, in addition to any other available remedies.

This Agreement shall not be modified or changed except in writing signed by all the Parties hereto. This Agreement shall be binding on the Parties and their successors and assigns.

IN WITNESS WHEREOF, the Parties hereto executed this letter of agreement as of the day and year first written above.

SK America, Inc.

By: 

Mr. Yon W. Sung, President & CEO

In behalf of Inventor group

By: 

Yong Chong

By: 

Il-Koo Choi